

## West Calcasieu Port Board Meeting Minutes

June 5, 2018

### **I. Call to order**

President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 3:00 p.m. on June 5, 2018, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

### **II. Invocation**

Glen James led the invocation.

### **III. Pledge of Allegiance**

Pledge led by Dave Aguillard and recited by all board members and guests.

### **IV. Roll call**

Tim Dougherty conducted a roll call. The following persons were present:

- ✓ Dick Kennison
- ✓ Wilmer Dugas
- ✓ Scott Foreman
- ✓ Dave Aguillard
- ✓ Tim Dougherty

(Others also present at the meeting were: Lynn Hohensee, Darla Perry, Chuck Stutes, Glen James, David Devall, George Landry and Sheila Burton.)

### **V. Approval of minutes of the May 1, 2018 regular monthly**

President Dick Kennison entertained a motion to approve the minutes of the May 1, 2018 regular monthly meeting. A motion was made by Dave Aguillard to approve the minutes of the May 1, 2018 regular monthly meeting, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carried.

### **VI. Amendments, additions and deletions to the proposed agenda**

Chuck Stutes requested adding to the agenda consideration to take appropriate action concerning Change Order No. 1 on the Dredging Project. Tim Dougherty made a motion to add to the agenda as Item VI(a) Consideration to take appropriate action concerning Change Order No. 1 on the Dredging Project, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried.

**VI(a). Consideration to take appropriate action concerning Change Order No. 1 on the Dredging Project**

Chuck Stutes explained to the Board that a couple of weeks ago the Devalls requested the contractor working on the dredging project of the west barge basin take a look at the slope of the south levee on the disposal area, to get a price on fixing the entire south bank alongside the west barge basin, which spans approximately 1700 linear feet. Chuck said the Devalls are having a hard time accessing their barges because of the slope not being smooth and the inability to mow it to keep it maintained. Chuck said he received a price from the contractor in the amount of \$29,245. The price would include redressing the 1700 linear feet and hydroseeding the levee once it is finished. The contractor stated it will take him a week using 2 men and a dozer to regrade most of the area. The Board briefly discussed the work that would be done on the levee with Chuck and David Devall.

Wilmer Dugas made a motion to approve Change Order No. 1 on the Dredging Project to allow Coastal Dredging Company to redress the 1700 linear feet and hydroseed the levee of the south bank alongside the west barge basin for the cost of \$29,245. The motion was 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried.

**VII. Discuss and approve amendment to the Budget FYE 6/30/2018 and approve the Budget FYE 6/30/2019**

Darla Perry reported on the Budget FYE 6/30/2018 first and explained to the Board that if the budget varies more than 5%, it has to be amended. Darla explained there will be more depreciation this year than when the budget was done last May due to the new bulkheading that was finished in December/January. The original amount of depreciation in the budget was \$328,000; but it will be close to \$380,000. Darla stated she will need the Board to approve a resolution to amend the depreciation to Amendment No. 2 to the budget FYE 6/30/2018. Wilmer Dugas made a motion to approve a resolution to amend the depreciation to Amendment No. 2 to the budget FYE 6/30/2018, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

Darla next reported on the Budget FYE 6/30/2019. Darla explained that this will be the budget projected for the upcoming year. Darla reviewed the budget packet with the Board. There was a brief discussion regarding the budget. Darla projects that the Port should take in approximately \$1 million, expending approximately \$257,000, which will leave approximately \$767,000 of cash flow for FYE 6/30/2019. Darla stated she would like to have the Board adopt a resolution to approve this budget for FYE 6/30/2019 with the understanding that if it varies more than 5% it will need to be amended at a future date. Wilmer Dugas made a motion to adopt a resolution to approve the budget for FYE 6/30/2019, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried.

**VIII. Committee Reports**

There were no Committee Reports given at this time.

## **IX. Port Director Report**

{Port Director Lynn Hohensee reported that he, along with Chuck Stutes and Darla Perry, had a meeting with representatives of IMCAL regarding applying for a Federal grant through Economic Development Administration (Department of Commerce). Lynn stated the meeting was very productive and reported the Port should be eligible for a \$1.5 million grant with an 80% coverage and the Port paying the other 20%. Lynn explained the grant includes bulkheading but does not include dredging since that is considered maintenance. Lynn told the Board that he received a call late yesterday from a representative at IMCAL and was told that after further review, the Port should actually be eligible for \$3.2 million with an 80/20 match. Lynn further explained the grant process and what will need to be done. Lynn told the Board that this grant will be used for work to be done on 600 linear feet of bulkheading and concrete skirting going west of the Orion property. There was a brief discussion regarding the bulkheading grant.

Lynn reported that Mike Hooks is currently renting month-to-month and will be needing the space up through June and will let the Port know how much longer after that, if needed.

Lynn stated he has asked for the “For Sale” sign to be taken down on the property recently bought by the Port. Darla Perry stated they need to get a key, and she asked for the property to be mowed. President Dick Kennison asked about the travel trailer that is located on the property. Darla said they are supposed to have it moved within 5 days. Lynn said the gutters need to be cleaned as well.

Lynn asked David Devall to report on the progress with the dredging activity and moving their overflow barges to the slip on the Calcasieu. Mr. Devall reported that they are waiting for the contract to be finalized. As soon as the contract is finalized, they will be able to start moving barges, which will take approximately a day to move out of the west end of the barge basin. Mr. Devall further explained the slow-moving progress of getting the contract finalized. There was a brief discussion about the dredging project.

Tim Dougherty told the Board he came out to the Port when the tide was out, and it looked like a pile of concrete was near River Barge Works. Tim said he wasn't sure how that would affect the dredging. Lynn explained it is just a small crust of concrete dust, and it will not be an issue with the dredging.

Lynn told the Board he felt Darla Perry had a good idea, for the Port board and staff to invite the new City Council and Mayor of Sulphur for a tour of the Port and a reception in the green building, to be set at a future date.

Lynn reported that Tubal-Cain has been working to remove equipment off of the levee in preparation of the dredging. Lynn said the Port is trying to accommodate them by allowing them to move various pieces of equipment onto the land they will be leasing even though the lease agreement has not been signed yet. Lynn told the Board that Tubal-Cain will be moving some roll-on/roll-off tanks off of the levee and onto the parking area off of the existing road for a day or two, and then they will be moving them off property. Wilmer Dugas asked if Tubal-Cain and Devall Towing have been working together, and Lynn answered yes.

Tim Dougherty told Lynn he would like to get with him to see about clearing a bunch of debris off of the levee and the surrounding area. Lynn stated he thinks it is a good idea, and his suggestion would be to wait until the Port has a tenant for that area and get with them on getting improvements done.

Lynn announced that he is on the PAL Search Committee, and they are looking for a new executive director. Lynn said he will be meeting with the Search Committee tomorrow in Baton Rouge.}

*{NOTE: The following report is a copy of the original sent out by Lynn Hohensee.}*

#### **Marketing/Business Development/Retention –**

- Facilitated meeting between Devall Enterprises and SWLA Economic Development Alliance – review DE business growth and expansion.
- Drone video photography was taken at the port. Edited video was shared with the US Coast Guard as the port continues to encourage the USCG to establish operations at the port.
- Port Tenant Committee conducted meeting re: potential tenant's interest in setting up a remote pipeline pump station at the west end of the port's spoils reception area for possibly up to two years.
- Communications continue with Tubal-Cain Marine Services re: a new lease agreement with focus on new port property to be improved and occupied by the company.
- The port director continues to coordinate with Devall Towing and the Port of Vinton re: ongoing discussions for possible movement of construction soil by barge from western Calcasieu and Cameron Parishes to industrial sites planned or under construction on the Calcasieu River Waterway. The WCP would play an instrumental role in the movement of dirt by barge.
- Port director participated in a Calcasieu Parish sponsored strategic planning meeting with consultant.

#### **Port Operations –**

- WCP operations were interrupted for two days in early May due to a crane barge coming into contact and damaging Entergy power line and supports that cross the GIWW on the west end of the port property. US Coast Guard and Entergy responded. The GIWW was closed for two days.
- Pre-dredge meeting was held and included dredging contractor and port tenants. Meeting was facilitated by port engineer. Tentative start date for dredging is June 13 and is expected to take 4-5 weeks.
- Initial civil work has begun at the new Tubal-Cain lease site that facilitates movement of storage tanks from the west end of the spoils area levee prior to the commencement of dredge spoil pumping.
- Civil work progressed well on the reinforcement of the port's spoils reception area levees – an initial step required prior to the dredging of the port's west barge basin.
- Communications is ongoing with port tenants re: the construction schedule for the dredging project with emphasis on minimizing impact on tenant operations.
- Arrangements are progressing well with port tenants to realign dedicated space in the port's barge basin for Devall Enterprises, River Barge Works and Tubal-Cain Marine Services.
- Discussions continue with T-C and Entergy officials to discuss need for 3 Phase electricity support to the port.
- The port director and port engineer remain in communication with the new point-of-contact at Louisiana State Office of Facility Planning and Control re: funding for engineering/design for new port bulkheading project.
- Communications continue with IMCAL to seek their assistance in securing Economic Development Administration (Dept. of Commerce) federal grant for port infrastructure development. Response was promising, and our port team is working with IMCAL on next steps in the application process.
- Port Director continues to work with consultants who are developing an effort to capture Homeland Security grant funding for several south Louisiana ports, including the West Calcasieu Port.

**Professional Organizations & Networking –**

- In May, the WCP director (and/or board members) represented the port at:
  - a. Sulphur mayor/city council oath of office ceremony
  - b. PetroChem board meeting
  - c. BV board meeting
  - d. Chamber/SWLA business after hours.

**News Media & Community Relations–**

- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

Wilmer Dugas made a motion to accept the Port Director's Report as presented, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried.

**X. Announcements/Reports (Legal, Financial, Engineer)**

**LEGAL:** Glen James reported that he is waiting to meet with Chuck Stutes and representatives of Tubal-Cain to sign the lease agreement. Lynn suggested everyone necessary meeting this Friday at 9:30 am at the offices of Meyer & Associates to discuss the lease agreement.

**FINANCIAL:** Darla Perry presented the Financial Report to the Board. Darla reported that the Port took in \$37,000 for the month of April. Darla explained \$109,000 was expended, which puts the Port at a negative for the month of April. Darla said the reason for the large expense amount was due to the property purchased on Gross Road in the amount of \$95,236. Lynn asked Darla if she had received 2 checks from Devall the month before, and Darla confirmed that was correct.

Darla reported 2,923 barge days, which is a little less than April of 2017. Darla said barge days YTD are still 4402 days ahead. Ramp usage is \$16,200 less this year than last year. There was a brief discussion about the ramp usage and future business for the ramp.

Darla asked the Board to make sure their information was up to date regarding phone numbers and emails. Darla said they are making great progress with IMCAL on the capital grant. Darla reminded the Board there was a vote to join IMCAL Association two meetings back, and there are dues that need to be paid. Darla told Lynn that she will be making the payment for the dues in July. Darla congratulated the Board for getting all off their Tier 2.1 reports in before the deadline.

President Dick Kennison entertained a motion to accept the Financial Report as presented. Wilmer Dugas made a motion to accept the Financial Report as presented, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried. President Kennison thanked Darla, Chuck and Lynn for the work they are doing with IMCAL on the grant. Darla explained that if the Port can prove that they can bring in 25-40 new jobs, then it would help with the index score on the grant. Darla suggested asking some of the tenants for a projection to show whether they would be able to put more people to work in the near future. There was a brief discussion regarding the grant process.

**ENGINEER:** Chuck Stutes reported that the actual dredging on the west barge basin will begin soon. All of the levee work on the spoils disposal area has been completed. Chuck said the next step will be the hydroseeding. Chuck stated he is going to send an email tomorrow requesting Thomas Kilbride of Coastal Dredging send out a formal written notification via email on a schedule based on current events. Chuck estimates actual dredging will begin in 1-2 weeks and, if all goes well, it should take approximately 45 days to complete it.

Chuck reported the overlay of the ramp was finished about a week ago. Chuck stated there were some issues on the first overlay, but those issues were worked out. Chuck said it looks good and solved a lot of the problems. Lynn asked about the repair work that was done. Chuck explained that one of the hydraulic lines on the ramp was leaking, and Orion took care of the problem by changing out the rubber hose. Chuck told the Board that Lynn asked Orion to give the Port a quote on what it would cost to change out the hose to a hard line. There was a brief discussion about the hoses and changing to a hard line. Chuck stated that they have also asked Orion to give them a quote on the cost of doing a full inspection of the ramp twice a year.

Chuck told the Board the project is still in design with regards to the bulkheading. Chuck said the surveys are actually finished. The geotechnical investigation in the field is complete, and the geotechnical engineer is working on the geotechnical report. Chuck stated there will be a meeting next week with all of the parties to go through the project so they can kick it off with the final design.

Chuck reported that the roadway project is underway. They have the actual route selected and the grade of the road. Chuck said they just need to finish the final plans. There was a brief discussion about the bulkheading.

Wilmer Dugas made a motion to accept the Engineer Report as presented, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

## **XI. Executive Session**

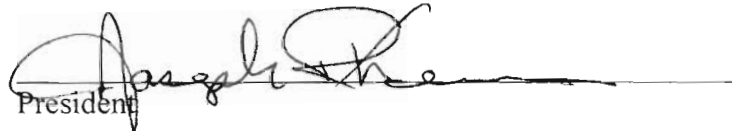
There was no Executive Session at this time.

## **XII. Public Comments**

There were no public comments given at this time.

**XIII. Adjournment**

President Dick Kennison adjourned the meeting at approximately 3:44 p.m.

  
President

  
Secretary